

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FILED
JUN 28 2005
EUGENE R. WEDOFF
BANKRUPTCY JUDGE

In re:

EMERALD CASINO, INC.,

Debtor.

Case No. 02 B 22977

Chapter 11

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO
GARDNER CARTON & DOUGLAS LLP, ATTORNEYS FOR THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES**

TOTAL FEES REQUESTED:	\$208,299.00	TOTAL COSTS REQUESTED:	\$3,697.86
TOTAL FEES REDUCED:	\$ 2,746.00	TOTAL COSTS REDUCED:	\$ 0.00
TOTAL FEES ALLOWED:	\$205,553.00	TOTAL COSTS ALLOWED:	\$3,697.86

TOTAL FEES AND COSTS ALLOWED: \$209,250.86

THE COURT HAS UNDERLINED THE ATTACHED TIME AND EXPENSE ENTRIES THAT HAVE BEEN DISALLOWED IN WHOLE OR IN PART. THE NUMERICAL NOTATION THAT APPEARS ON THE LEFT SIDE OF EACH HIGHLIGHTED ENTRY DISCLOSES THE BASIS FOR EACH DISALLOWANCE. THE NUMERICAL NOTATIONS REFER TO THE ENUMERATED PARAGRAPHS BELOW.

(1) Clerical Work Not Compensable

The court disallows the compensation of clerical or stenographic employees of the professional for the performance of routine clerical or administrative activities in the normal course of the professional's business, such as photocopying, secretarial work, or routine filing. Such activities are considered overhead of the professional and are built into the professional's hourly billing rates. *In re Chellino*, 209 B.R. 106, 114 (Bankr. C.D. Ill. 1996) (Paralegal, but not "clerk" services entitled to compensation at an hourly rate; clerk activities are overhead of the professional); *Souza v. Miguel*, 32 F.3d 1370, 1375 (9th Cir. 1994) (Trustee not entitled to reimbursement or compensation of overhead expenses such as secretarial, stenographic, clerical, and routine messenger services).

(2) Duplication of Services

The Court denies the allowance of compensation for services that duplicate those of another professional or paraprofessional. See 11 U.S.C. § 330(a)(4)(A)(i). Also, when more than one attorney appears in court on a motion or argument or for a conference, no fee should be sought for non-participating counsel. *In re Pettibone*, 74 B.R. 293, 307 (Bankr. N.D. Ill. 1987) ("A debtor's estate should not bear the burden of duplication of services. If found in the record, such duplication shall be disallowed by the court as unnecessary.").

Dated: June 28, 2005


Eugene R. Wedoff
United States Bankruptcy Court

GARDNER CARTON & DOUGLAS LLP

P.O. Box 92688
Chicago, Illinois 60675-2688
(312) 569-1000
Facsimile (312) 569-3000

June 6, 2005

Unsecured Creditors' Committee of Emerald
Casino, Inc.
120 N. LaSalle Street
Suite 3300
Chicago, IL 60602

Invoice # 3272523

Payment is Due by June 26, 2005

For Legal Services Rendered In Connection With:

Client ID: # 084886 Matter # 0001 Emerald Casino, Inc. Bankruptcy - General Case
Administration

09/01/04	H. Kaplan	1.50	Strategy meeting at Kirkland with S. Barbatano, J. Schorer, J. Schwartz and B. Stephenson regarding case strategy and AG issues.	
09/02/04	B. Serrano	0.60	Review new pleadings (.2) and update case files (.4).	
09/03/04	J. Schwartz	0.20	Review motion regarding extending time to remove action (.1); call with S. Nylen regarding same (.1).	
09/07/04	N. Kopsian	0.50	Pick up court transcript from Bankruptcy Court.	1
09/07/04	B. Serrano	0.40	Organize new adversary filings.	
09/07/04	B. Serrano	0.20	Update critical dates list regarding hearing on intervention.	
09/09/04	B. Serrano	0.40	Organize incoming correspondence and pleadings regarding central file.	
09/10/04	N. Kopsian	0.50	Filed reply in support of petition to intervene.	1
09/27/04	B. Serrano	0.50	Update critical dates list.	
09/28/04	B. Serrano	0.30	Organize various incoming adversary documents (.2) and update file (.1).	
10/28/04	J. Schwartz	0.70	Conference call with J. Schorer regarding Emerald status including Supreme Court intervention issues, franchise tax issues and gaming board issues.	

12/03/04	B. Serrano	1.60	Draft notice of filing regarding Committee motion to intervene in adversary proceedings (.3); draft service list (.3); conference with T. Kaye regarding draft order (.1); conferences with J. Schwartz and T. Kaye regarding status of filing (.1); electronically file and serve same (.8).
12/03/04	B. Serrano	0.50	Prepare trial notebook for 12/07/04 hearing on plan status and AG's lawsuit against the IGB.
12/05/04	J. Schwartz	0.40	Review of Emerald status report.
12/06/04	T. Kaye	0.20	Review Debtor's Eighth Status Report and Mr. Schwartz's comments thereto.
12/06/04	T. Kaye	0.40	Review the Debtor's Motion to Extend Certain Deadlines under the Plan of Reorganization.
12/06/04	J. Schwartz	0.50	Review and revise status report (.3); discussion with S. Nylen regarding changes to report (.2).
12/06/04	B. Serrano	0.50	Organize and update documents for 12/7/04 hearing.
12/06/04	B. Serrano	0.40	Draft notice of filing facsimile transaction statement to Committee's motion to intervene (.2); electronically file same (.2).
12/07/04	H. Kaplan	0.70	Review Debtors' Eighth Status Report (.5); talk to J. Schwartz on outcome of today's status hearing before bankruptcy court (.2).
12/07/04	J. Schwartz	1.50	Attend Emerald hearing on plan status and AG motion to remove committee's motion to intervene and status on case.
12/09/04	B. Serrano	0.50	Update Emerald's critical dates list.
12/10/04	B. Serrano	0.30	<u>Review and organize incoming attorney case materials.</u>
12/17/04	B. Serrano	0.20	<u>Organize and assemble attorney files.</u>
12/20/04	J. Schwartz	0.30	Review monthly operating report.
12/20/04	B. Serrano	0.20	<u>Review central files and obtain transcripts on motion to intervene regarding AG's motion for extension.</u>
01/04/05	J. Schwartz	0.20	Call with S. Nylen regarding update on case status.
01/21/05	B. Serrano	0.70	Organize Supreme court filings (.3) and assemble attorney files (.4).

01/31/05	T. Kaye	1.10	Review case law regarding the extent to which a state waives its sovereign immunity in a bankruptcy proceeding.
02/03/05	B. Serrano	0.60	Update pleadings file index.
02/14/05	R. Stoeckel	0.50	Trip to Supreme Court of Illinois for filing in Philip N. Crusius v. The Illinois Gaming Board in case number 98351.
02/16/05	N. Kopsian	0.50	Hand delivery to Supreme Court Clerk.
02/21/05	B. Serrano	0.40	Organize and assemble Crusius attorney files.
02/24/05	T. Kaye	0.20	Review the Debtor's Motion for an Order Extending the Period in which to Remove Actions.
02/28/05	H. Kaplan	0.50	Review Debtors' ninth Status report.
02/28/05	J. Schwartz	0.30	Review debtor's status report (.2); call with S. Nylen on status report (.1).
02/28/05	B. Serrano	0.50	Compile documents for 3/1/05 hearing.
02/28/05	B. Serrano	0.30	Update pleadings file index.
03/01/05	J. Schwartz	1.80	Prepare for (.4) and attend status hearing in Emerald bankruptcy case (1.4).
03/22/05	J. Schwartz	0.60	Strategy conference with H. Kaplan on IGB issues and new legislation.
03/24/05	H. Kaplan	0.50	Review Summary Emerald History and Status Report for IGB.
03/24/05	G. Nash	0.50	Review of Kirkland & Ellis report to IGB for comment.
03/24/05	J. Schwartz	0.80	Review Emerald's memo to the IGB.
03/25/05	J. Schwartz	0.90	Review Debtor's proposed memorandum to IGB on status of case (.8) and call with S. Nylen regarding same (.1).
03/28/05	H. Kaplan	0.60	Review proposed memo to IGB (.4) and revise memo (.2).
03/29/05	B. Serrano	0.50	Organize incoming documents and correspondence.
04/05/05	A. Weissman	0.30	Review memorandum from Kirkland regarding status of Emerald case.
04/15/05	J. Schwartz	1.30	Lengthy call with J. Schorer on documents filed by Emerald in bankruptcy case on 10th status report (.8); review documents filed by Emerald (.2); discussion with H. Kaplan regarding Emerald filing (.3).

10/13/04	J. Schwartz	0.30	Review memo on weekly IGB meeting (.2); discussion with T. Kaye regarding same (.1).
10/15/04	J. Schwartz	0.80	Cal with Judge Maki clerk on AG lawsuit (.2); prepare documents requested by clerk (.3); call with J. Schorer on status of AG lawsuit (.2); discussion with G. Nash regarding same (.1).
10/15/04	J. Schwartz	0.20	Call with D. Goroff on AG lawsuit issues.
10/18/04	G. Nash	0.80	Attend hearing in state court in AG lawsuit. 2✓
10/18/04	J. Schwartz	1.60	Prepare for (.5) and attend status hearing before Judge Malik in AG lawsuit (.8); draft memo regarding hearing (.3).
10/20/04	H. Kaplan	0.10	Review memo on IGB weekly meeting.
10/20/04	T. Kaye	1.30	Attend weekly meeting of the Illinois Gaming Board.
10/20/04	T. Kaye	0.50	Draft summary of weekly meeting of the Illinois Gaming Board.
10/20/04	J. Schwartz	0.20	Review memo regarding IGB meeting.
10/27/04	T. Kaye	1.70	Attend weekly meeting of the Illinois Gaming Board.
10/27/04	T. Kaye	0.50	Draft summary of Illinois Gaming Board meeting.
10/27/04	J. Schwartz	0.30	Discussion with T. Kaye on IGB meeting (.2) and review email on same (.1).
11/03/04	T. Kaye	0.80	Attend weekly meeting of the Illinois Gaming Board.
11/03/04	T. Kaye	0.50	Draft memo regarding Illinois Gaming Board meeting.
11/03/04	J. Schwartz	0.60	Call with J. Schorer regarding strategy with dealing with the AG/IGB dispute.
11/03/04	J. Schwartz	0.30	Review summary of IGB meeting (.2); discussion with J. Schorer regarding IGB meeting (.1).
11/10/04	P. Coffey	0.40	Review IGB motion to stay proceeding (.2); correspondence on same and debtor draft motion in opposition (.2).
11/10/04	H. Kaplan	1.20	Review IGB Motion to Stay Hearing (.2) and follow-up with J. Schwartz (.3); review draft Emerald Objection thereto (.7).
11/10/04	T. Kaye	1.00	Attend weekly meeting of the Illinois Gaming Board.

02/09/05	P. Coffey	2.20	Review AG brief on Crusius appeal (1.0); participate in call with K&E on Crusius change of sides (1.0); review motion for extension (.2).
02/09/05	H. Kaplan	2.20	Review AG brief in re 11.2 constitutionality (1.1); review letter to Supreme Court on timing brief (.1); call with K&E on responsive brief and arguments (1.0).
02/09/05	N. Kopsian	0.50	Obtained copy of court docket from Supreme Court relating to Crusius.
02/09/05	G. Nash	3.50	Review of State's brief in Crusius (1.4) and conference with Messrs. Schwartz and Kaplan and attorneys from Kirkland & Ellis (1.0); review of appellate court cases and briefs (1.1).
02/09/05	J. Schwartz	0.70	Participate in strategy conference call with A. Parrish and R. Gasaway from K&E and G. Nash and H. Kaplan and Crusius strategy.
02/09/05	J. Schwartz	0.20	Discussion with G. Nash regarding Supreme Court issues in Crusius on ability to switch sides.
02/09/05	J. Schwartz	0.50	Review motion for extension on behalf of committee and debtor in Crusius (.3); call with A. Parrish to provide comments on motion (.2).
02/09/05	J. Schwartz	1.40	Review and revise Crusius brief from K&E.
02/09/05	B. Serrano	0.30	Call Supreme Court Clerk and arrange to obtain Crusius docket sheet.
02/10/05	J. Goitia	2.60	Conference with J. Schwartz regarding Crusius matter (.1); research regarding judicial estoppel and waiver with respect to inconsistent positions on appeal (2.5).
02/10/05	H. Kaplan	3.00	Review AG filing to realign as Appellant (1.2); talk to J. Schwartz on arguments (.4); review and work on draft Committee/Debtor responsive brief in Crusius appeal (1.4).
02/10/05	T. Kaye	0.60	Review the draft Crusius Brief received from Mr. Parrish.
02/10/05	T. Kaye	1.60	Research regarding the Illinois Attorney General's duties under the Attorney General Act and relevant case law (1.2); confer with Mr. Nash regarding the same (.4).

03/15/05	A. Weissman	1.30	Attend IGB meeting (.9); draft summary email of the IGB meeting (.4).
03/17/05	J. Schwartz	0.40	Call with J. Schorer on IGB appointments.
03/17/05	J. Schwartz	0.50	Call with B. Stephenson regarding IGB make up and strategy going forward (.2); discussion with H. Kaplan on IGB appointment (.3).
03/17/05	A. Weissman	0.50	Research regarding appointment of new IGB board members (.3) conference with T. Kaye regarding the reconstituted IGB (.2).
03/23/05	A. Weissman	0.10	Review IGB agenda letter and new dates.
03/24/05	J. Schwartz	1.60	Attend IGB meeting with new board members.
03/24/05	A. Weissman	1.20	<u>Attend IGB board meeting (1.1); conference with J. Schwartz regarding same (.1).</u>
03/28/05	J. Schwartz	0.30	Call with B. Stephenson regarding IGB presentation.
03/28/05	A. Weissman	0.30	Review motion for expedited oral argument before Illinois Supreme Court (.1); review statement to be presented to new IGB (.2).
03/30/05	A. Weissman	1.20	Attend IGB meeting.
03/31/05	J. Schwartz	0.20	Discussion with A. Weissman on IGB meeting issues.
04/08/05	J. Schwartz	0.20	Review IGB meeting memo.
04/08/05	A. Weissman	0.40	Review agenda items presented by IGB (.2); draft email to J. Schwartz regarding same (.2).
04/11/05	A. Weissman	0.40	Research various options related to the statements made by the IGB.
04/14/05	G. Nash	0.20	Review of e-mails regarding activity by IGB (.1) and discussion with J. Schwartz regarding same (.1).
04/14/05	J. Schwartz	1.60	Call with B. Stephenson on IGB meeting (.2); call with J. Schorer on IGB meeting (.3); discussion with H. Kaplan on IGB meeting and revocation issues (.6) review memo on IGB meeting (.3); discussion with A. Weissman on IGB meeting outcome (.2).
04/14/05	A. Weissman	2.60	Attend IGB meeting (1.9); conference with J. Schwartz regarding the decision of IGB to reinstitute the certification proceedings (.2); draft email memorandum summarizing the IGB meeting (.5).

04/15/05	H. Kaplan	0.30	Review IGB orders on appointment of Administrative Law Judge (.1); discuss same with J. Schwartz in anticipation of call with Debtor counsel (.2).
04/15/05	J. Schwartz	1.10	Strategy conference with H. Kaplan, G. Nash and A. Weissman on IGB decision to restart revocation proceeding.
04/15/05	J. Schwartz	0.50	Review IGB orders appointing ALJ and commencing revocation (.2); discussion of same with H. Kaplan (.3).
04/15/05	A. Weissman	2.30	Conference with J. Schwartz regarding the revocation hearing (.2); strategy conference with J. Schwartz, H. Kaplan and G. Nash regarding the reimposition of the restatement hearing (1.0); research intervention into the revocation hearing (1.1).
04/18/05	H. Kaplan	2.30	Review Emerald Status Report with exhibits (1.4), and discuss response with J. Schwartz (.4); conference call with Rosemont counsel regarding same (.5).
04/18/05	A. Weissman	2.60	Research regarding the procedures for the revocation proceedings (.4); research regarding entry into the revocation proceedings (.2); review status report and attachments filed by Debtors on 4/15/05 (1.6); telephone conference with counsel for Rosemont regarding the Debtors' status report (.4).
04/19/05	H. Kaplan	3.70	Talk to S. Barbatano and B. Stephenson on Status Report filed by K&E with the bankruptcy court including , approach to Debtor on IGB/AG negotiations/administrative proceedings (.9); talk to J. Schorer, J. Sprayregen on same (.8); meeting at Kirkland & Ellis with K&E attorneys, committee attorneys and Rosemont attorneys on related strategy/approach to IGB, AG, ALJ and to prospective litigation (2.0).
04/19/05	G. Nash	2.50	Review of complaint in Emerald revocation matter (.5); <u>attend meeting with attorneys for Rosemont and Debtor to discuss strategy (2.0).</u>
04/19/05	J. Schwartz	2.40	Prepare for (.4) and attend meeting at K&E with Debtor, Rosemont and committee attorneys regarding revocation proceeding (2.0).